GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3164
ANSWERED ON:10.08.2001
INDIA`S RANK OF GLOBAL COMPETITIONS
SADASHIVRAO DADOBA MANDLIK

Will the Minister of FINANCE be pleased to state:

(a): whether India`s rank has slipped to 41st position in the latest global competitiveness ranking for 2001 against the 39th position in 2000;

(b): if so, the facts in this regard and the reasons therefor; and

(c): the steps taken/being taken by the Government to improve the India`s ranking inglobal competitiveness?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL)

(a)&(b): According to the Global Competitiveness Report 2000, brought out by the World Economic Forum, India`s growth competitiveness ranking (which summarises the factors contributing to future growth of an economy) improved to 49 in the year 2000 from 52 in the year 1999. The current competitiveness index ranking (which summarises the factors underpinning high current productivity and economic performance) also improved to 37 in 2000 from 42 in 1999. The improvements in rankings were due to the fact that India is ranked 5 in openness on export promotion, 1 in licensing of technology, 8 for availability of suppliers in quality of business environment, 3 in income tax rate, 2 in road infrastructure and 12 in value added tax (VAT). Besides, India`s ranking has improved from 46 to 39 in finance and from 38 to 26 in technology transfer.

(c): Since 1991, India has undertaken credible reforms inindustrial, trade, financial, fiscal and public sectors for improving efficiency and productivity of Indian industries, and for imparting dynamism to the overall growth process. The improvementsin various aspects of global competitiveness rankings are the results of the ongoing economic reforms in India.